Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Message Text

CONFIDENTIAL

PAGE 01 STATE 092984
ORIGIN EUR-12

INFO OCT-01 EA-10 ISO-00 SS-15 EB-08 TRSE-00 AID-05
CEA-01 CIAE-00 COME-00 FRB-03 INR-10 IO-13 NEA-10
NSAE-00 ICA-11 OPIC-03 SP-02 LAB-04 SIL-01
AGRE-00 OMB-01 OES-07 PA-01 NSC-05 /123 R

DRAFTED BY EUR/RPE: P L LAASE: FF
APPROVED BY E - R N COOPER
EUR/RPE - A C ALBRECHT
EA/EP - A GEBER (DRAFT)
EA/K - D L BLAKEMORE (DRAFT)
EB - R HORMATS (DRAFT)
E - E JOHNSTON (DRAFT)
TREASURY- D KLOCK (DRAFT
TREASURY - W MCFADDEN (DRAFT)
EUE-R D VINE
----------090410 120256Z /62
R 112208Z APR 78
FM SECSTATE WASHDC
TO AMEMBASSY SEOUL
AMEMBASSY PARIS

C O N F I D E N T I A L STATE 092984

USOECD

E.O. 11652: GDS

TAGS: ECIN, OECD, KS

SUBJECT: KOREAN PARTICIPATION IN THE OECD

REF: (A) PARIS 9403 (NOTAL); (B) SEOUL 2398 (NOTAL)

1. SUMMARY. THE KOREANS HAVE INFORMALLY APPROACHED THE BRITISH ABOUT GETTING INVOLVED IN SELECTED OECD ACTIVITIES. CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 092984

THE ROKG, HOWEVER, HAS NOT YET APPROACHED OECD SECRETARY GENERAL VAN LENNEP, THE USG OR OTHER OECD MEMBERS AND EMBASSY SEOUL SHOULD NOT APPROACH THEM. WHILE KOREA PRESENTLY DOES NOT QUALIFY FOR MEMBERSHIP, THE OECD MUST GIVE EXPEDITIOUS CONSIDERATION TO THE LARGER QUESTION OF OECD RELATIONS WITH NON-MEMBERS, INCLUDING KOREA. WE MUST EXAMINE HOW THE OECD, WITHOUT IMPAIRING ITS UTILITY AS A

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

FORUM FOR THE LIKE-MINDED INDUSTRIALIZED DEMOCRACIES, CAN PLAY A USEFUL ROLE IN ENCOURAGING THE MORE ADVANCED LDCS TO REGARD THEMSELVES AS FULL PARTICIPANTS IN THE INTERNATIONAL ECONOMIC SYSTEM. END SUMMARY.

2. THE REPUBLIC OF KOREA DCM IN PARIS APPROACHED BRITISH PERMANENT REPRESENTATIVE TO THE OECD MADDOCKS ON FEBRUARY 22 AND ASKED HOW THE ROK COULD GO ABOUT GETTING INVOLVED IN OECD ACTIVITIES RELATING TO ECONOMIC POLICY DISCUSSIONS, STEEL, TEXTILES, AND SHIPBUILDING. MADDOCKS RESPONDED THAT,

IF THE KOREANS WERE SERIOUS, THEY SHOULD APPROACH OECD SECRETARY GENERAL VAN LENNEP AND CONDUCT BILATERAL DISCUSSIONS WITH OTHER OECD MEMBERS. MADDOCKS INFORMED THE US PERMANENT REPRESENTATIVE OF THIS APPROACH ON MARCH 16 AND HAS ALSO INFORMED OTHER DELEGATIONS. THE ROKG HAS NOT RAISED THE MATTER WITH US IN WASHINGTON, PARIS OR SEOUL.

3. THE OECD CURRENTLY HAS ACTIVITIES IN THREE OF THE FOUR AREAS MENTIONED BY THE KOREANS, I.E., THE ECONOMIC POLICY COMMITTEE AND ITS SUBGROUPS, THE AD HOC STEEL GROUP, AND COUNCIL WORKING PARTY NO. 6 ON SHIPBUILDING. AS NOTED REF (A), THE OECD IS NO LONGER ACTIVE IN THE TEXTILES AREA; THE GATT AND THE MULTIFIBER TEXTILE AGREEMENT IS THE APPROPRIATE FORUM.

CONFIDENTIAL

CONFIDENTIAL

4. WE BELIEVE THAT KOREA PRESENTLY DOES NOT QUALIFY FOR OECD MEMBERSHIP. ACCORDING TO ARTICLE 16 OF THE CONVENTION, MEMBERSHIP IS BY INVITATION ONLY TO ANY GOVERNMENT PREPARED TO ASSUME THE OBLIGATIONS OF MEMBERSHIP (AS DEFINED IN THE CONVENTION). ISSUANCE OF AN INVITATION REQUIRES A UNANIMOUS COUNCIL DECISION, WHICH COULD NOT BE OBTAINED IN THE FORESEEABLE FUTURE. MOREOVER, IT IS ALSO CLEAR THAT THERE IS PRESENTLY STRONG SENTIMENT WITHIN THE OECD AGAINST KOREAN PARTICIPATION IN ECONOMIC POLICY AND STEEL DISCUSSIONS.

5. IT IS CLEAR THAT OECD MEMBERS WISH TO TAKE NO ACTION WHICH WOULD IMPAIR THE UTILITY OF THE OECD AS A FORUM OF LIKE-MINDED INDUSTRIALIZED DEMOCRACIES. WE WOULD THEREFORE EXPECT THAT POTENTIAL CANDIDATES FOR MEMBERSHIP IN THE OECD WOULD HAVE AN ADVANCED INDUSTRIAL SECTOR AND A DEMOCRATIC FORM OF GOVERNMENT. IT WOULD BE DESIRABLE FOR THEM TO BE AN ARTICLE VIII MEMBER OF THE INTERNATIONAL MONETARY FUND. FYI. ONLY 16 OF THE PRESENT 24 OECD MEMBERS ARE ARTICLE VIII IMF MEMBERS. END FYI. POTENTIAL MEMBERS SHOULD NOT CLAIM SPECIAL TREATMENT UNDER PART IV OF THE GATT. SINCE THE OECD IS A MAJOR FORUM FOR COORDINATING THE DEVELOPED COUNTRIES' POSITION IN THE NORTH-SOUTH DIALOGUE, AT LEAST

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

SOME CURRENT OECD MEMBERS COULD NOT ACCEPT AN ACTIVE PARTICIPANT IN THE G-77 AS A MEMBER OF THE OECD. FYI. YUGOSLAVIA, WHICH IS ASSOCIATED WITH THE OECD, DOES NOT PARTICIPATE IN ANY OF THE ORGANIZATION'S RESTRICTED BODIES. TURKEY IS NOT A MEMBER OF THE G-77. END FYI.

6. THE US HAS AN INTEREST, SHARED BY OTHER INDUSTRIALIZED COUNTRIES, IN ENCOURAGING THE MORE ADVANCED LDCS TO REGARD THEMSELVES AS FULL PARTICIPANTS IN THE INTERNATIONAL ECONOMIC SYSTEM. PARTICIPATION IN SELECTED OECD ACTIVITIES IN WHICH THE OECD MEMBERS AND THE LDC HAVE A MUTUAL INTEREST MIGHT FACILITATE THIS OBJECTIVE. VAN LENNEP HAS RECENTLY

COMMISSIONED AN EXTENSIVE STUDY OF OECD RELATIONS WITH
CONFIDENTIAL

CONFIDENTIAL

NON-MEMBERS AND MOST MEMBERS WILL WANT TO WAIT UNTIL THIS STUDY IS COMPLETED BEFORE BEGINNING SUBSTANTIVE DISCUSSIONS OF THE SUBJECT. FYI. OECD ACTIVITIES WHICH MIGHT BE OF INTEREST TO NON-MEMBERS AND IN WHICH SOME FORM OF PARTICIPATION MIGHT BE ENVISAGED (ASSUMING A CONSENSUS AMONG CURRENT OECD MEMBERS FOR SUCH PARTICIPATION) INCLUDE THE OECD DEVELOPMENT CENTER, THE ECONOMIC AND DEVELOPMENT REVIEW COMMITTEE, ENERGY R&D PROJECTS WITH THE INTERNATIONAL ENERGY AGENCY, THE EXPORT CREDIT CONSENSUS, COUNCIL WORKING PARTY NO. 6 ON SHIPBUILDING, SOME OF THE TECHNICAL SUBGROUPS OF THE ENVIRONMENT COMMITTEE AND THE COMMITTEE ON FISCAL AFFAIRS, AND THE TECHNICAL COOPERATION COMMITTEE. END FYI.

7. UNTIL THE OECD'S INTERNAL DISCUSSIONS OF THE ORGANIZATION'S RELATIONS WITH NON-MEMBERS ARE MORE ADVANCED, HOWEVER, ANY APPROACH BY THE ROKG WOULD BE PREMATURE. WE COULD ENVISAGE KOREAN PARTICIPATION IN SELECTED OECD ACTIVITIES AT SOME LATER DATE, PROVIDED A CONSENSUS FOR SUCH PARTICIPATION DEVELOPS AMONG OECD MEMBERS AND AFTER THE ROKG WERE FORMALLY TO MAKE ITS INTEREST KNOWN. AT THE APPROPRIATE TIME, FOR EXAMPLE, THE ROKG MIGHT WISH TO CONSIDER ADHERENCE TO THE EXPORT CREDITS SCHEME ALONG WITH SOME FORM OF PARTICIPATION IN THE OECD'S SHIPBUILDING ACTIVITIES.

8. FOR SEOUL: THE EMBASSY SHOULD NOT RPT NOT APPROACH THE ROKG ON THIS MATTER AT THIS TIME. WE WOULD APRRECIATE YOUR REACTION TO THE POINTS IN PARA (7), I.E, LIKELIHOOD OF ROKG ADHERENCE AT SOME LATER DATE TO THE EXPORT CREDITS SCHEME AND SOME FORM OF PARTICIPATION IN OECD ACTIVITIES IN SHIPBUILDING AS A POSSIBLE FIRST STEP IN KOREAN INVOLVEMENT IN OECD ACTIVITIES.
CONFIDENTIAL

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

9. FOR USOECD: KOREA IS THE SECOND MORE ADVANCED LDC TO INQUIRE ABOUT PARTICIPATION IN OECD ACTIVITIES IN THE LAST 18 MONTHS. (COLOMBIA ASKED ABOUT POSSIBLE MEMBERSHIP IN SEPTEMBER 1976.) MOREOVER, AS YOU ARE AWARE, THERE IS HIGH-LEVEL INTEREST WITHIN THE US ADMINISTRATION ON THE SUBJECT OF OECD RELATIONS WITH NON-MEMBERS. THE MISSION SHOULD THEREFORE SEEK TO EXPEDITE THE ORGANIZATION'S INTERNAL CONSIDERATION OF THIS MATTER, SO THAT IT MAY BE DISCUSSED BY THE MEMBERS AS SOON AS POSSIBLE. WE WOULD ALSO LIKE TO HAVE REACTIONS FROM OTHER KEY DELEGATIONS TO THE KOREAN APPROACH AND THE SUGGESTIONS MADE IN PARA (7) ABOVE. PERHAPS AN EARLY INFORMAL G-7 MEETING WITHOUT VAN LENNEP MIGHT BE AN APPROPRIATE VEHICLE.

10. WE ANTICIPATE THAT THESE SUBJECTS MAY ARISE IN THE CONTEXT OF THE APRIL 14 MEETING OF THE OECD EXECUTIVE COMMITTEE IN SPECIAL SESSION. ANY INFORMATION WHICH OECD POSTS COULD PROVIDE ON THE KOREAN APPROACH OR ON THE MORE GENERAL SUBJECT OF OECD RELATIONS WITH NON-MEMBERS WOULD BE APPRECIATED. VANCE

CONFIDENTIAL

NNN

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MEMBERSHIP, RELATIONS WITH REGIONAL ORGS
Control Number: n/a
Copy: SINGLE
Draft Date: 11 apr 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE092984
Document Source: CORE
Document Unique ID: 00
Drafter: P L LAASE: FF
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780156-0876
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780468/aaaacghk.tel
Line Count: 196
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: d69661b2-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 78 PARIS 9403, 78 SEOUL 2398
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 06 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3002358
Secure: OPEN
Status: NATIVE
Subject: KOREAN PARTICIPATION IN THE OECD
TAGS: ECIN, KS, OECD
To: SEOUL PARIS MULTIPLE
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/d69661b2-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014